



Federal Housing Finance Agency

Constitution Center
400 7th Street, S.W.
Washington, D.C. 20219
Telephone: (202) 649-3800
Facsimile: (202) 649-1071
www.FHFA.gov

FINAL SUSPENSION ORDER

The Federal Housing Finance Agency, as safety and soundness regulator of Fannie Mae, Freddie Mac, and the eleven Federal Home Loan Banks (collectively the “regulated entities”), is issuing this Final Order pursuant to the following legal authorities:

1. Section 1313 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (Safety and Soundness Act), which authorizes FHFA to exercise such incidental powers as may be necessary in the supervision and regulation of the regulated entities. *See* 12 U.S.C. 4513(a)(2);
2. Section 1313B of the Safety and Soundness Act, which authorizes FHFA to establish standards for the regulated entities regarding prudential management of risks. FHFA is authorized to issue orders requiring the regulated entities to take any action that will best carry out the purposes of that section. *See* 12 U.S.C. 4513b(b)(2)(B)(iii); and
3. Section 1319G of the Safety and Soundness Act, which authorizes FHFA to issue any orders necessary to ensure that the purposes of the Safety and Soundness Act are accomplished. *See* 12 U.S.C. 4526(a).

Consistent with these authorities, FHFA has determined that any business relationship between Rafael Alexis Caraballo and the regulated entities would present excessive risk to their safety and soundness.

This determination is based on the following findings:

1. Rafael Alexis Caraballo worked as a customer service representative at a federally chartered credit union.
2. From at least in or around January 2016 and continuing through in or around December 2016, Rafael Alexis Caraballo and others knowingly and willfully engaged in a scheme to defraud financial institutions by obtaining money under the custody and control of the credit union by fraudulent pretenses.
3. On March 16, 2022, Rafael Alexis Caraballo, pursuant to a guilty plea, was convicted of bank fraud by the United States District Court for the Middle District of Florida and sentenced to time served in prison and four (4) years of supervised release.
4. The conduct underlying the conviction described above occurred in connection with provision of financial services.

With this Final Order, FHFA is directing each regulated entity to cease or refrain from engaging in any business relationship with Rafael Alexis Caraballo for a term of five (5) years, beginning on February 28, 2023. This suspension extends to any individual, company, partnership or other group that FHFA determines to be an affiliate of Rafael Alexis Caraballo's.

The Final Order's requirement for regulated entities to cease any business relationship with Rafael Alexis Caraballo does not apply to the existing or future purchase, sale, modification, foreclosure alternative transaction, or other foreclosure-related transaction of a residential mortgage loan owned by a regulated entity if Rafael Alexis Caraballo is the borrower of such residential mortgage loan and the transaction is for the borrower's own personal or household residence.

This Final Order is a final action of the Federal Housing Finance Agency.

Clinton Jones,
Suspending Official